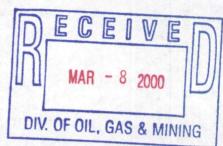




675 East 500 South, Suite 500 Salt Lake City, Utah 84102-2818 801-538-5100 801-355-0922 (Fax) http://www.trustlands.com

March 6, 2000



Jeffrey Sagers Terra Resources 2016 South Montana Avenue Provo, UT 84606

RE:

DOGM Notice of Intention S/003/052

ML 48357-MP and ML 46649-BLS

Dear Mr. Sagers,

This letter is to advise you that the notification requirements of the Trust Lands Administration are <u>not</u> satisfied by your recent Notice of Intention filed with the Division of Oil Gas & Mining. I am enclosing an information sheet to assist you in complying with the notification requirements of the Trust Lands Administration. A reclamation bond is required for all proposed surface disturbances.

Also, it is noted that ML 46649-BLS is held in the name of John Hechtle. You may not file a notification with the Trust Lands Administration for this lease or enter upon the leased lands until you are formally designated an operator through written notification from Mr. Hechtle.

Sincerely,

John T. Blake

Mineral Resources Specialist

cc: Lynn Kunzler